

~~CONFIDENTIAL~~~~SECURITY INFORMATION~~  
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12 December 1956

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Subject: (Contract No. RD-85  
Task Order No. 2)

Dear Sir:

We request that the price ceiling and fixed fee of subject contract be increased by \$11,145.00 and \$780 respectively. This is due to the cost of developing the alternator for the hand cranked generator exceeding our estimated cost and a reanalysis of all costs involved. The following is a break-down on estimated future costs and actual costs.

Money spent to date	RP-11 and RH-11	\$8,570.00
Design Engineering to be done	RP-11	4,500.00
Materials and Construction Labor	RP-11	3,450.00
Design Engineering to be done	RH-11	4,500.00
Materials and Construction Labor	RH-11	6,615.00
Cost of 10 Alternators (Including development cost of one)	RH-11	<u>6,775.50</u> (subcontract)
Total Cost . .		\$34,410.50
Present Price of Contract . .		<u>23,265.00</u>
Contract Increase Request. .		11,145.50
Fixed Fee Increase Request @ 7% . .		780.00

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Very truly yours,

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Vice President

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